

Realty Trust Review

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MARKET AND STATISTICAL ISSUE

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MARKET REVIEW: TRUST SHARES CONTINUE SHOW OF STRENGTH IN FACE OF BAD NEWS

New shocks of bad news pummeled the REIT industry last month but REIT shares still managed a 5.0% advance, not far behind the 5.9% surge in the Dow-Jones Industrials. The REIT share advance was broadly based with 101 trusts gaining while only 31 declined. Bad news came in bunches during the month: both *Forbes* and *The Wall Street Journal* ran articles exploring REIT accounting problems, *First Mortgage Investors*, the oldest mortgage REIT, added \$10 million to its loss reserve during its year-end audit, and *Associated Mortgage Investors*, the mortgage trust whose June 1968 offering started the rush to form REITs, sought Chapter XI Bankruptcy Act protection from its creditors.

A strong showing in the face of bad news was all the more impressive because it seemed to signal the general belief that the worst of the REIT troubles were behind. Several REIT executives at a New York investors conference said real estate market conditions were at or near their bottom, although NAREIT President B. Francis Saul cautioned that a couple more builder bankruptcies could appear. All the executives agreed it was a good time to buy real estate, and by extension seemed to imply the same for shares of realty trusts.

The bad news seemed to have its touches of optimism too. *First Mortgage Investors* noted that about 15% of investments (or about \$90 million of \$620 million investments) were in a non-earnings status, but that it had completed an agreement with apartment developer Walter J. Kassuba, subject to bankruptcy court confirmation March 26, that would effectively restore about \$30 million of this to earning status by sale or conveyance to new borrower/owners. A \$20 million Puerto Rico project is also reported improving, so that a little more than half of FMI's problem loans appear under control. At least seven other REITs, including those mentioned last issue, have likewise begun reducing problem assets while incidence of new problem loans is slowing. *Associated Mortgage's* problems were well-known since last summer and after several proposed mergers were aborted, the Chapter XI petition essentially lets trustees proceed with an orderly liquidation of portfolio to preserve net worth. AMI's net worth was put at about \$6 million

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(or about \$4.50 per share) in court filings, after a \$23 million provision for possible losses. AMI is the first large public REIT ever to seek Bankruptcy Act protection from creditors.

Conditions remain moderately favorable for new investments in REITs, in our assessment, ranked as follows:

Factor	Rating	Comment
Money market and interest rates.....	4-Short-term rates up recently but trend still down	
Real estate market and activity.....	2-Moderately unfavorable: Sunday gas sales will help	
Stock market outlook.....	2-Slightly unfavorable, still doubts about economy	
Composite.....	8-Still moderately favorable, down 1 point in month	

REIT industry problems are increasing pressure on advisory companies and managers. *Gulf South Mortgage* declined to renew its advisory contract with its advisor and hired key personnel to become self-administered. *Virginia REIT*, an equity trust, said it was negotiating with a subsidiary of Virginia National Bank to become adviser, replacing Investment Services, Inc. *Larwin Mortgage Investors* and *Connecticut General M&R* both revised fee schedules to relate adviser compensation more to trust earnings and performance than to gross assets, a trend we expect will have important longer-term positive impact on trust earnings.

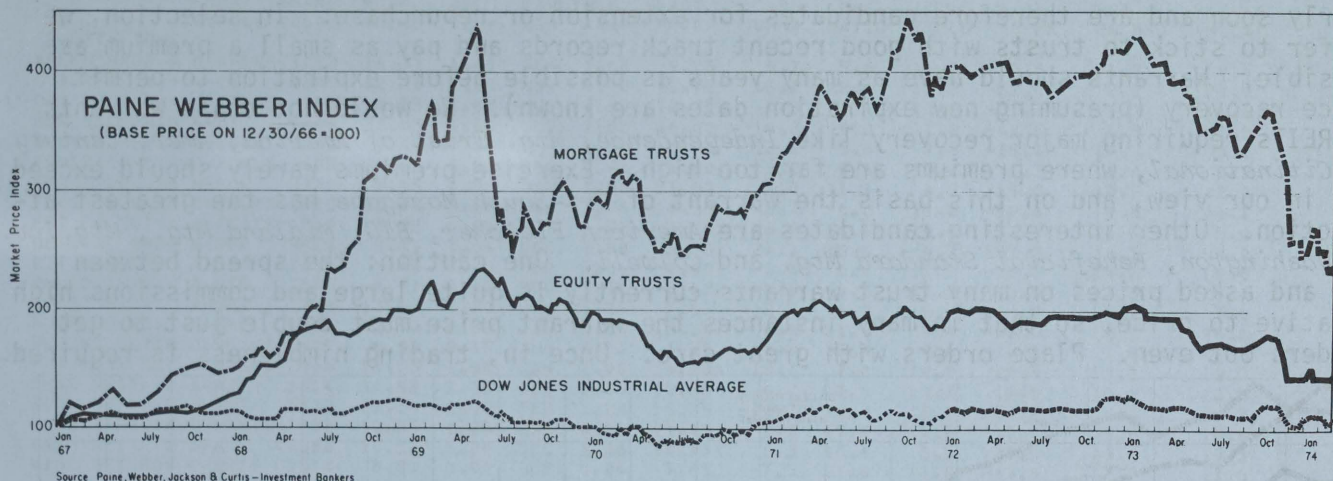
The month's biggest gainers, the top ten and beyond, were a little unusual. They were not prime names or sharp rebounders by last month's biggest losers. Rather they were mostly "middle" grade. Some have spotty records, often with inherently respectable lending and real estate operations but recovering from problem loans. Several have done decently. There are limits to drawing inferences from one month's action but it looks like investors were value picking. Buyers homed in on secondaries whose fundamentals were above average and whose prices were below average. This attention to value rather than just quality is encouraging from a market point of view in that some forgotten issues are being remembered. The standout in this regard on the biggest gainer list is *Barnett-Winston Inv.* with strong regional bank sponsorship and apparently capable management. *U.S. Leasing* is a solid, equity oriented situation which was perhaps a bit overlooked for value. Well recognized for quality and growth, our old favorite *General Growth Prop.* continued back from the general sell-off. Leading gainer was *Mutual REIT*, snapping back from sharp plunges to well under book value. *Mutual* was featured under book value. *Mutual* was featured in the N.Y. Times' real estate section as a special purpose trust (social) but under careful real estate standards geared to building equity. *Galbreath First Mtg.* may finally be gaining respect from change in affiliation to a major institution, Nationwide Insurance.

GAINERS & LOSERS -%

Mutual REIT	+40	NJB Prime	-19
First Fidelity	+39	Franklin Rlty.	-16
Atlanta Nat'l.	+28	Dominion Mtg.	-15
General Growth	+24	Gulf So. Mtg.	-15
Fidelco Growth	+21	GREIT Rlty.	-13
State Mutual	+19	Pease Elliman	-13
Galbreath FM	+18	Northern States	-12
US Leasing RE	+18	REIT of Amer.	-11
Barnett-Winst.	+17	Lincoln Mtg.	-10
Atico Mtg. Inv.	+17	BT Mtg. Inv.	-10

COMPARATIVE TRUST GROUP AVERAGES 03/20/74

GROUP	N	SHARE (000)	BOOK VALUE	ANN DIV*	EARN ANN*	LAST PRICE	% CHNG	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
EQUITY TRUSTS	21	1861	13.16	1.15	1.16	11.02	5.0	9.5	10.5	-16.3	8.8	489.8
EQUITY AND MORTGAGE COMBIN	20	1602	14.52	1.30	1.35	10.97	1.0	8.1	11.8	-24.5	9.3	369.6
SUBORDINATED LAND TRUSTS	3	2688	17.81	1.97	1.97	17.46	2.4	8.8	11.3	-2.0	11.1	144.3
*AVERAGE 3 EQUITY GROUPS	44	1800	14.10	1.27	1.30	11.44	3.0	8.8	11.1	-18.9	9.2	1003.7
SHORT-TERM MTG-INDEPENDENT	6	6041	14.68	1.54	1.57	11.08	8.2	7.0	13.9	-24.5	10.7	304.3
SHORT-TERM MTG-MTG BANKER	24	1990	17.55	2.14	2.13	14.49	5.0	6.8	14.8	-17.5	12.1	732.4
SHORT-TERM MTG-COMCL BANK	17	2313	21.87	2.05	2.14	17.49	5.4	8.2	11.7	-20.0	9.8	765.9
SHORT-TERM-MISC FINCL	12	2846	19.06	2.16	2.21	14.94	3.4	6.8	14.5	-21.6	11.6	519.0
*AVERAGE 4 SHORT-TERM GROUPS	59	2669	18.81	2.06	2.09	15.10	5.0	7.2	13.6	-19.7	11.1	2321.6
INTERMEDIATE-TERM MORTGAGES	6	3393	18.72	2.19	2.19	14.97	7.6	6.8	14.6	-20.0	11.7	265.2
LONG-TERM MTG & EQUITIES	23	2863	18.85	1.83	1.81	14.41	7.6	8.0	12.7	-23.5	9.6	990.1
*AVERAGE LONG & INTERMEDIATE	29	2972	18.82	1.91	1.89	14.53	7.6	7.7	13.1	-22.8	10.0	1255.3
OVERALL AVERAGE	132	2446	17.24	1.76	1.78	13.75	5.0	7.7	12.8	-20.2	10.3	4580.5
DOW-JONES INDUSTRIAL AVERAGE					86.16	867.57	5.9	10.1	4.1			



REIT WARRANTS: A SPECIAL TIME TO LOOK AT THESE SPECULATIVE VEHICLES

The current market juncture, with REIT shares near historic highs in dividend yields and real estate market conditions improving, provides a special reason to look carefully at REIT warrants. Since warrants pay no dividend, they are for the capital gains speculator instead of the income oriented investor. But current conditions may not be repeated in years. The major attraction is that the recent price plunge puts many REIT shares well below their exercise price. Many warrants are due to expire in the year or so but trusts are reluctant to let them expire because the IRS argues the trust would have to report income attributable to the original warrant price. In some cases this additional income could result in disqualification as a trust.

The alternatives are simple: 1) buy as many warrants as possible in the open market or through tender, or 2) extend them, a step the IRS says will have no adverse tax consequences. Already 13 trusts have extended 16 warrant issues, while only three have made buy-back efforts. Two of these buy-backs were not as successful as desired: *Builders Investment Group* got 647,000 out of 1,250,000 warrants sought by tender, and *First Pennsylvania Mortgage* bought only 91,400 out of 400,000 sought in open-market purchases. Both trusts now plan to extend warrant life. *Union-america Mortgage* tendered successfully and bought 400,739 out of 606,000 warrants by offering \$3.38 per warrant, a 42% premium over market price.

We list the 13 trusts that have already extended or intend to extend warrants, along with 11 other trusts whose warrants expire

(Turn to Page 4)

WARRANTS ALREADY EXTENDED

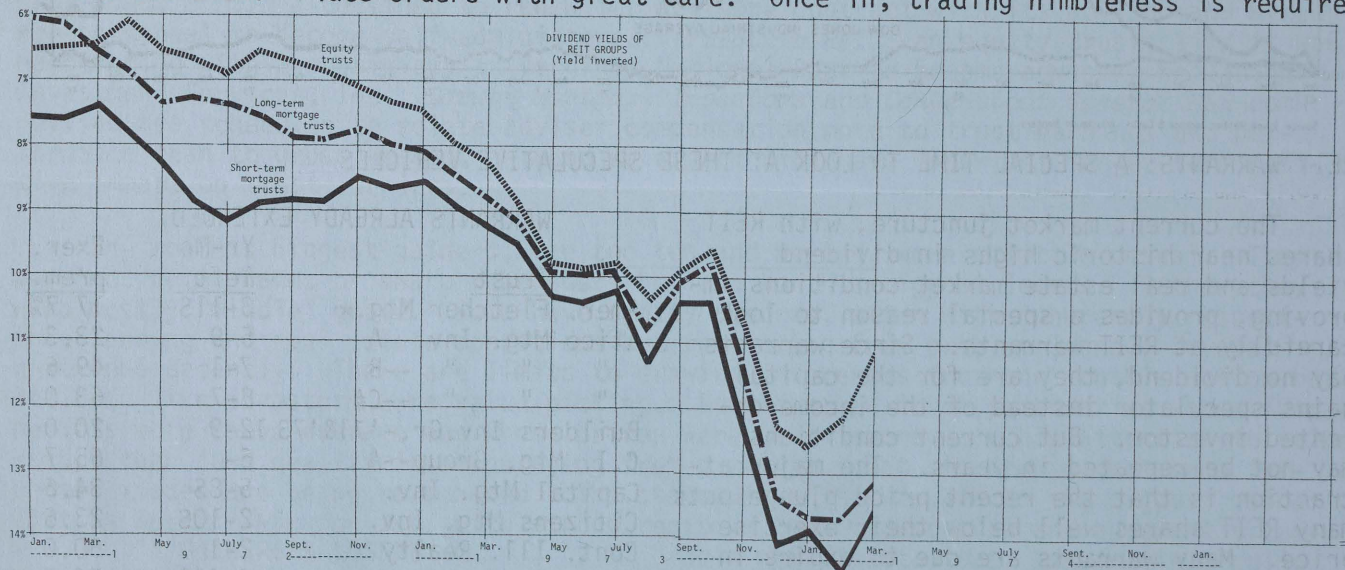
Trust	Yr-Mo left	Exer. prem.
Amer. Fletcher Mtg.*	3-11S	17.7%
Atico Mtg. Inv.--A	5-9	23.3
" " " --B	7-1	49.6
" " " --C#	8-7	63.0
Builders Inv.Gr.-'71&'73	12-9	20.0
C.I. Mtg. Group--A	6-	65.7
Capital Mtg. Inv.	5-8S	34.6
Citizens Mtg. Inv.	2-10S	23.6
Cont. Ill. Realty	2-1	50.0
First Penn. Mtg.	3-4AP	56.7
Hamilton Inv. Tr.	9-2	50.0
Midland Mtg. Inv.	2-6	14.0
Mortgage Tr. Amer.	3-8S	118.2
Republic Mtg. Inv.	5-3	50.0
Mtg. Inv. Wash.	6- S	17.1

CANDIDATES FOR EXTENSION

Amer. Century Mtg.	1-3	176.5
Beneficial Std. Mtg.	1-3	17.4
Citinationl Dev.	1-1	123.7
Colwell Mtg.	-9	15.3
First Memphis Rlty.	-11	27.5
Flatley Rlty.	1-2	55.6
Independence Mtg.	1-3	304.0
PNB Mtg. & Rlty.	-9	28.2
Realty ReFund	-3	26.7
Tri-South Mtg.	-9	2.0
U.S. Leasing RE	-9	49.3

S-Subject to IRS ruling. AP-Approval of warrant holders required. *-Exercise price would rise to \$26 on 9/1/75 and \$27 on 3/1/77. Conditional call provision being added after 8/31/75. #Debentures usable at face value in lieu of cash.

fairly soon and are therefore candidates for extension or repurchase. In selection, we prefer to stick to trusts with good recent track records and pay as small a premium as possible. Warrants should have as many years as possible before expiration to permit price recovery (presuming new expiration dates are known). We would not chase warrants of REITs requiring major recovery like *Independence*, *Mtg. Trust of America*, *Amer. Century* or *Citination*, where premiums are far too high. Exercise premiums rarely should exceed 20% in our view, and on this basis the warrant of *Tri-South Mortgage* has the greatest attraction. Other interesting candidates are *American Fletcher*, *BIG*, *Midland Mtg.*, *Mtg. Inv. of Washington*, *Beneficial Standard Mtg.* and *Colwell*. One caution: the spread between bid and asked prices on many trust warrants currently is quite large and commissions high relative to price, so that in many instances the warrant price must double just to get holders out even. Place orders with great care. Once in, trading nimbleness is required.



DIVIDEND TRENDS: CONTINUED SLUGGISHNESS DUE TO LARGE CUTS AND OMISSIONS

REIT declarations were evenly divided between gains and losses during March. Large cuts and one omission, by *NJB Prime Investors*, brought comparisons down for the fifth consecutive month, as shown below. Industry payouts ended the month at a \$568.26 million, annual rate down about 6.4% from a peak \$606.79 million in November.

In omitting its dividend, *NJB Prime* trustees said they will consider paying a special dividend before filing their Federal tax return in order to preserve REIT status. In addition, the trustees said they intend to pay future dividends on an annual basis instead of quarterly. *NJB Prime* had about \$15.2 million, or about 18.3% of portfolio, invested in loans to Walter J. Kassuba affiliates, the apartment developer now in Chapter XI.

Other large reductions were by *Franklin Realty*, off 33% on continued high money costs; and *Northern States Mortgage*. We are including both *Associated* and *Fidelity Mortgage* in our quarterly and yearly comparisons for statistical accuracy even though this will tend to skew comparisons downward for several months. Our tally of dividends:

Up Same Down Tot. % Ann.Chng.

-----From previous quarter-----

March	13	9	13	35	-7.3%
Year	51	33	31	115	

-----From year ago-----

March	17	5	16	38	-13.6%
Year	55	13	44	112	

	Record date	-Dividend per share- Latest	Previous	Change-- Amt.	%	Extra	Year ago	Change
Alison Mtg.	3/4	\$ 0.78	\$ 0.77	\$.01	+ 1.3	---	\$0.74	+ 5.4
Associated Mtg.	Omitted	0.00	0.00	---	NC	---	0.45	-100.0
Atlanta Nat'l RE	3/29	0.48	0.47	+.01	+ 2.1	---	0.39	+ 23.1
C.I. Mortgage	3/14	0.15m	0.15m	---	NC	---	0.18	- 16.7
Cabot, C&F Land	3/27	0.66	0.65	+.01	+ 1.5	---	0.57	+ 15.8
Citizens Growth Prop.	3/8	0.42	0.41	+.01	+ 2.4	---	0.38	+ 10.5
Cont. Ill. Properties	4/3	0.40	0.36	+.04	+11.1	---	0.35	+ 14.3
Continental Mtg.	4/15	0.23	0.25	-.02	- 8.0	---	0.27	- 14.8
Cousins Mtg. & Eq.	3/22	0.63	0.62	+.01	+ 1.6	---	0.58	+ 8.6
Fidelfco Growth	3/21	0.80a	0.72	+.08	+11.1	---	0.82	- 2.4
Fidelity Mtg.	Omitted	0.00	0.00	---	NC	---	0.86	-100.0
First Continental RE	3/31	0.36	0.34	+.02	+ 5.9	---	0.35	+ 2.9
First Fidelity Inv.	3/10	0.15	0.15	---	NC	---	0.15	NC
First Memphis Rty.	3/18	0.41	0.47	-.06	-14.6	---	0.49	- 19.5
First Mtg. Inv.	3/14	0.25c	0.49	---	c	---	0.57	c
Franklin M&R	3/15	0.08	0.12	-.04	-33.3	---	0.19	- 57.9
General Growth Prop.	3/29	0.26	0.25	+.01	+ 4.0	---	0.21	+ 23.8
Great American Mtg.	3/15	0.45	0.32	+.005	+ 1.6	---	0.265	+ 22.6
Heitman Mtg.	3/22	0.39	0.42	-.03	- 7.1	---	0.35	+ 28.6
Hubbard REI	3/26	0.46	0.51	-.05	- 9.8	---	0.46	NC
ICM Realty	3/11	0.37	0.36	+.01	+ 2.8	---	0.40	- 7.5
Institutional Inv.	4/2	0.30	0.33	-.03	- 9.1	---	0.29	+ 3.4
M&T Mtg. Inv.	3/26	0.26	0.29	-.03	-10.3	---	0.29	- 10.3
MassMutual M&R	3/12	0.43	0.48	-.05	-10.4	---	0.50	- 14.0
NJB Prime	Omitted	0.00	0.14m	-.14m	-100.0	---	0.54	-100.0
New Plan Rty.	3/15	0.14m	0.14	---	NC	---	0.14	NC
Northern States M&R	3/19	0.20	0.26	-.06	-23.1	---	0.25	- 20.0
Northwestern Mut.Life	3/29	0.52	0.51	+.01	+ 2.0	---	0.48	+ 8.3
Palomar Mtg. Inv.	3/126	0.15	0.18	-.03	-16.7	---	0.40	- 62.5
Property Capital	3/11	0.36	0.38	-.02	- 5.3	---	0.40	- 10.0
Rty & Mtg. Pacific	3/31	0.45	0.45	---	NC	---	0.09a	+ 4.2 + 7.2
Unionamerica Mtg.	3/26	0.46	0.57	-.11	-19.3	---	0.61	- 24.6
U.S. Realty	3/4	0.34	0.34	---	NC	---	0.34	NC
Wachovia Rty.	4/5	0.50	0.60	-.10	-16.7	---	0.58	- 13.8
Walter (JTM) Inv.	3/6	0.45	0.45	---	NC	---	0.30	+ 50.0
Washington REIT	3/5	0.30	0.30	---	NC	---	0.26	+ 15.4
Western Mtg.	3/18	0.23	0.22	+.01	+ 4.5	---	0.20	+ 15.0
Wisconsin REIT	3/29	0.225	0.225	---	NC	---	0.225	NC
Totals (35 Trusts)b		\$12.505	\$13.485	-.98	- 7.3	---	\$14.475	- 13.6

Actual payments with uncertain amounts at declaration

Justice Mtg.	1/18	0.77e	0.74	+ .03	+ 4.1	---	0.55	+ 40.0
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a-On shares when declared, may be lower if additional shares are out by ex-dividend dates.
b-Excludes initial, monthly and extra declaration. c-Not compared because of Median acquisition. M-Monthly. NC-No change. Trusts with reduced dividend underlined. Totals and comparisons exclude extras. e-Actual payment.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	EARNINGS MON ANN*	LAST PRICE	% CHNG	P/E RATIO	ANN* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)	
EQUITY TRUSTS													
ARLEN PROP #	O-ARLNS	1012	14.37	1.40	SEP	1.68	9.25	5.7	5.5	15.1	-35.6	11.7	9.4
C I REALTY #	N-CIX	2609	22.21	1.20	NOV	0.48	10.75	16.2	22.4	11.2	-51.6	2.2	28.0
CITIZENS GRW	O-CITGS	913	18.55	1.68	JUL	1.80	12.75x	1.3	7.1	13.2	-31.3	9.7	11.6
CON ILL PROM	N-CIE	4808	23.53	1.60	OCT	1.52	14.00	14.3	9.2	11.4	-40.5	6.5	67.3
DENVER REI #	O-DENV	1091	9.46	0.60	SEP	1.44	8.00	12.2	5.6	7.5	-15.4	15.2	8.7
FEDERAL RLT#	O-FDRLS	695	8.60	0.92	DEC	0.95	9.00	5.9	9.5	10.2	4.7	11.0	6.3
FIRST UNION#	N-FUR	3720	9.95	0.96	JAN	1.04	11.50	8.2	11.1	8.3	15.6	10.5	42.8
FLORIDA GLF#	O-FGLFS	975	18.04	1.60	JAN	1.76	14.50x	-0.7	8.2	11.0	-19.6	9.8	14.1
FST FIDELTY#	O-FFITS	866	12.02	0.60	NOV	0.22	5.75x	38.8	26.1	10.4	-52.2	1.8	5.0
GENERAL GRO#	N-GGP	5554	5.83	1.04	DEC	1.08	16.75	24.1	15.5	6.2	187.3	18.5	93.0
GIT REALTY#	A-GIM	1095	9.45	1.20	SEP	1.34	8.00	-1.6	6.0	15.0	-15.3	14.2	8.8
GOULD INVST#	A-GTR	1179	7.71	0.92	DEC	0.96	8.13x	-0.9	8.5	11.3	5.4	12.5	9.6
GREIT RLY#	A-GRT	998	13.58	1.20	JAN	1.24	7.63	-12.8	6.2	15.7	-43.8	9.1	7.6
HUBBARD REI	N-HRE	4004	23.43	1.56	JAN	1.56	18.50x	6.4	11.9	8.4	-21.0	6.7	74.1
MUTUAL REIT#	O-MUTRS	1433	6.90	0.15	JUN	0.11	1.75	40.0	15.9	8.6	-74.6	1.6	2.5
NEW PLAN RLY	O-NPLNS	665	11.63	1.68	JAN	2.00	14.00x	13.1	7.0	12.0	20.4	17.2	9.3
PENN REIT #	A-PEI	1514	10.92	1.15	AUG	1.64	12.50	4.2	7.6	9.2	14.5	15.0	18.9
REIT OF AMER	A-REI	1633	21.30	1.40	FEB	1.28	15.75	-10.7	12.3	8.9	-26.1	6.0	25.7
SUMMIT PROP#	O-SMMS	1433	10.03	1.25	JAN	0.56	11.13	1.2	19.9	11.2	11.0	5.6	15.9
WASH REIT #	A-WRE	1380	10.13	1.20	DEC	1.36	14.13x	0.3	10.4	8.5	39.5	13.4	19.5
WISC REI FD#	O-WREI	1514	8.81	0.90	SEP	0.24	7.63	-7.5	31.8	11.8	-13.4	2.7	11.6
GROUP AVERAGE		1861	13.16	1.15		1.16	11.02	5.0	9.5	10.5	-16.3	8.8	489.8
EQUITY AND MORTGAGE COMBINATION TRUSTS													
AMER REALTY#	A-ARB	2148	7.96	0.60	DEC	0.84	7.00x	-4.7	8.3	8.6	-12.1	10.6	15.0
BANKAM RLT#	O-BRLTS	3536	19.15	2.00	JAN	1.76	22.00	0.0	12.5	9.1	14.9	9.2	77.8
BERG ENT RG	A-BRT	1400	9.19	0.92	NOV	0.92	4.13	-5.7	4.5	22.3	-55.1	10.0	5.8
FLATLEY RLT	O-FLTLS	1000	9.25	0.92	DEC	0.96	6.75	3.8	7.0	13.6	-27.0	10.4	6.8
FRANKLIN RLY	A-FR	999	9.75	0.32	DEC	0.32	4.75x	-16.0	14.8	6.7	-51.3	3.3	4.7
INDIANA M&R*	O-INDMS	1154	18.74	1.72	SEP	1.88	14.50	11.5	7.7	11.9	-22.6	10.0	16.7
INVESTOR RL#	A-IRT	1579	12.36	1.40	NOV	1.36	11.63	8.2	8.6	12.0	-5.9	11.0	18.4
JMB REALTY*	O-JMBRS	510	18.29	2.04	NOV	2.00	14.00	0.0	7.0	14.6	-23.5	10.9	7.1
LINCOLN MTG*	O-LNMGs	1155	9.09	0.00	DEC	0.00	2.25	-10.0	0.0	0.0	-75.2	0.0	2.6
MILLER HEN S	O-HSMTS	560	18.39	1.40	NOV	1.46	13.00	2.0	8.9	10.8	-29.3	7.9	7.3
NJB PRIME	A-NJB	1250	19.88	0.00	AUG	2.52	6.63	-18.5	2.6	0.0	-66.6	12.7	8.3
NTHN ST M&R#	O-NSMRS	1023	8.08	0.80	SEP	0.69	5.75x	-11.9	8.3	13.9	-28.8	8.5	5.9
PEASE ELLIMN	A-PNE	1114	18.40	2.00	DEC	1.88	10.50	-12.5	5.6	19.0	-42.9	10.2	11.7
RIVIERE RLY#	O-RIV16	783	9.24	0.96	JUN	0.81	9.25	-1.4	11.4	10.4	0.1	8.8	7.2
RLTY INCOME	A-RIT	1560	14.50	1.70	JAN	1.32	11.88x	1.4	9.0	14.3	-18.1	9.1	18.5
SAUL (BF) REI	N-BFS	5657	15.15	1.56	DEC	1.24	11.00x	-4.1	8.9	14.2	-27.4	8.2	62.2
US BANCORP #	A-UBT	835	23.46	2.56	NOV	2.12	23.63	3.9	11.1	10.8	0.7	9.0	19.7
US LSG REI #	A-USE	1348	21.72	1.88	DEC	1.96	17.38	17.8	8.9	10.8	-20.0	9.0	23.4
US REALTY #	N-UTY	3388	9.55	1.36	DEC	1.12	11.13x	4.3	9.9	12.2	16.5	11.7	37.7
WALTER JIM #	O-WALJS	1035	18.35	1.80	JAN	1.84	12.25x	12.9	6.7	14.7	-33.2	10.0	12.7
GROUP AVERAGE		1602	14.52	1.30		1.35	10.97	1.0	8.1	11.8	-24.5	9.3	369.6
SUBORDINATED LAND TRUSTS													
CABOT LAND	N-CFT	2989	19.92	2.64	FEB	2.64	22.75	1.1	8.6	11.6	14.2	13.3	68.0
ICM REALTY	A-ICM	3011	19.79	1.84	FEB	1.84	16.00	0.0	8.7	11.5	-19.2	9.3	48.2
PROPERTY CAP	A-PCL	2065	13.72	1.44	JAN	1.44	13.63x	7.6	9.5	10.6	-0.7	10.5	28.1
GROUP AVERAGE		2688	17.81	1.97		1.97	17.46	2.4	8.8	11.3	-2.0	11.1	144.3
SHORT-TERM MTG-MTG BANKER													
ATICO MTG IN	N-ACO	2705	17.79	2.00	JAN	2.16	14.50	17.1	6.7	13.8	-18.5	12.1	39.2
BAIRD & WARNR	O-BAIDS	1042	19.51	2.03	JAN	1.88	13.00	0.0	6.9	15.6	-33.4	9.6	13.5
BARNES MTG	O-BARNs	1910	18.78	2.00	DEC	2.00	13.50	10.2	6.8	14.8	-28.1	10.6	25.8
CENTRAL MTG	O-CMRTS	775	18.24	2.28	DEC	2.36	17.75	7.6	7.5	12.8	-2.7	12.9	13.8
COLWELL MTG	N-CLM	2001	21.90	3.28	DEC	2.56	19.63	12.2	7.7	16.7	-10.4	11.7	39.3
FIRST CONTNL	O-FCRES	2106	10.42	1.44	FEB	1.44	9.75	13.0	6.8	14.8	-6.4	13.8	20.5
FRASER MTG I	O-FRASS	1038	16.85	1.60	NOV	1.60	12.50	4.2	7.8	12.8	-25.8	9.5	13.0
GUARDIAN MI	N-GMI	3000	28.90	4.32	NOV	4.56	27.25	5.8	6.0	15.9	-5.7	15.8	81.8
GULF SO MTG	A-GSR	1161	18.73	2.00	DEC	2.00	9.38	-14.7	4.7	21.3	-49.9	10.7	10.9
HAMILTON INV	O-HAMTS	2095	18.58	2.08	DEC	2.04	14.00	1.8	6.9	14.9	-24.7	11.0	29.3
HEITMAN MTG	A-HTM	3228	11.85	1.80	DEC	1.76	9.75x	7.4	5.5	18.5	-17.7	14.9	31.5
JUSTICE MTG	N-JMI	1182	18.34	3.08	DEC	3.08	20.25	5.9	6.6	15.2	10.4	16.8	23.9
KMC MTG IN	O-KMTGS	1100	13.86	1.20	FEB	1.20	9.75	8.3	8.1	12.3	-29.7	8.7	10.7
LARWIN MTG I	N-LWN	2009	18.60	2.00	DEC	2.00	11.75	0.0	5.9	17.0	-36.8	10.8	23.6
LOMAS & NTLN	N-LOM	3700	33.26	3.96	DEC	3.96	28.75	2.7	7.3	13.8	-13.6	11.9	106.4
M&T MTG INV	O-MTMIS	1482	10.27	1.04	FEB	1.00	7.50	-9.1	7.5	13.9	-27.0	9.7	11.1
MIDLAND MTG	N-MMT	2372	12.70	1.72	DEC	1.80	12.50	13.6	6.9	13.8	-1.6	14.2	29.6
NATIONAL MTG	N-NMF	2350	10.57	1.48	FEB	1.40	11.13	15.6	7.9	13.3	5.3	13.2	26.2
NO AMER MTG#	N-NAM	4402	14.59	2.64	DEC	2.64	20.13	-4.1	7.6	13.1	38.0	18.1	88.6
PALOMAR MTG	A-PMI	1812	13.03	0.60	FEB	0.68	6.50	0.0	9.6	9.2	-50.1	5.2	11.8
SUTRO MTG IN	N-SUT	2322	17.12	0.80	DEC	1.04	8.63	7.9	8.3	9.3	-49.6	6.1	20.0
TEXAS 1ST MT	O-TFMRS	1055	18.20	2.24	DEC	2.28	14.75	5.4	6.5	15.2	-19.0	12.5	15.6
TMC MTG INV	A-TMG	800	19.15	3.92	DEC	3.92	21.00	8.4	5.4	18.7	9.7	20.5	16.8
UNIONAM M&EQ	A-UAT	2109	20.03	1.84	FEB	1.76	14.00	2.7	8.0	13.1	-30.1	8.8	29.5
GROUP AVERAGE		1990	17.55	2.14		2.13	14.49	5.0	6.8	14.8	-17.5	12.1	732.4

#CASH FLOW.

*GROSS CASH FLOW.

@CASH FLOW INCLUDING DEBT DISCOUNT.

#FULLY DILUTED EARNINGS.

CHANGES: INSTITUTIONAL INVESTORS FROM LONG-TERM MTG & EQUITIES TO SHORT-TERM-MISC FINCL; BANKAMERICA RLT# FROM LONG-TERM MTG. & EQUITIES TO EQUITY AND MORTGAGE COMBINATION TRUSTS; FIRST UNION FROM EQUITY AND MORTGAGE COMBINATION TRUSTS TO EQUITY TRUSTS.

NOTE: SAUL (BF) REI EARNINGS BEFORE UNUSUAL RECEIPT OF 6¢ FOR QUARTER. FIRST MORTGAGE EARNINGS BEFORE SPECIAL \$10M LOSS RESERVE.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	EARNINGS MON ANN*	LAST PRICE	% CHNG	P/E RATIO	ANN* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)	
SHORT-TERM MTG-INDEPENDENT													
CAPITAL MI	N-CMU	1672	23.59	2.80	DEC	2.84	17.00	11.5	6.0	16.5	-27.9	12.0	28.4
CONTNLT MTG	N-CMI	20838	8.63	0.92	DEC	1.00	7.00	0.0	7.0	13.1	-18.9	11.6	145.9
FIRST MTG IN	N-FIM	8488	14.42	1.00	JAN	1.04	7.50X	-8.8	7.2	13.3	-48.0	7.2	63.7
MTG INV WASH	O-MINVS	2138	13.99	1.80	DEC	1.88	13.88	14.4	7.4	13.0	-0.8	13.4	29.7
REPUBLIC MI	N-RMI	2107	18.53	1.80	DEC	1.80	14.00	15.4	7.8	12.9	-24.4	9.7	29.5
WESTERN MI	O-WMTGS	1001	8.95	0.92	NOV	0.88	7.13X	7.0	8.1	12.9	-20.3	9.8	7.1
GROUP AVERAGE		6041	14.68	1.54		1.57	11.08	8.2	7.0	13.9	-24.5	10.7	304.3
SHORT-TERM MTG-COMCL BANK													
AMER FLETCHER	A-AFM	1352	25.20	2.85	JAN	3.36	22.63	9.7	6.7	12.6	-10.2	13.3	30.6
BARNETT MTG	N-BMT	2173	25.24	2.84	DEC	3.04	20.00	5.3	6.6	14.2	-20.8	12.0	43.5
CAMERON-BRW	N-CB	2022	24.07	1.72	DEC	1.44	9.38	4.2	6.5	18.3	-61.0	6.0	19.0
CHASE MAN MT	N-CMR	4881	30.20	4.60	NOV	4.64	37.75	4.1	8.1	12.2	25.0	15.4	184.3
CITINATL DEV	O-CITI6	600	18.55	1.40	DEC	1.36	9.00	0.0	6.6	15.6	-51.5	7.3	5.4
CITIZENS MI	N-CZM	1419	14.16	1.78	DEC	1.84	13.25X	6.5	7.2	13.4	-6.4	13.0	18.8
CITIZNS&SO RL	N-CZS	3827	22.23	3.44	DEC	3.44	27.25	14.7	7.9	12.6	22.6	15.5	104.3
COMMNLTH NTL	O-CWNRS	760	18.49	0.00	NEW	0.00	17.25	-3.5	0.0	0.0	-6.7	0.0	13.1
CONT ILL RLY	N-CIR	2797	18.53	1.92	DEC	2.04	14.00	7.7	6.9	13.7	-24.4	11.0	39.2
FST COMMERCE	O-FCRNS	1008	23.53	2.28	DEC	2.28	15.88	2.5	7.0	14.4	-32.5	9.7	16.0
FST DENVR MI	A-FDE	1620	18.91	2.88	DEC	2.88	20.13	7.4	7.0	14.3	6.5	15.2	32.6
FST PENN MT	N-FPM	2961	20.78	2.04	JAN	2.04	13.25	-3.6	6.5	15.4	-36.2	9.8	39.2
FST WISCN MT	N-FWM	1910	29.49	0.00	DEC	0.00	11.88	-1.0	0.0	0.0	-59.7	0.0	22.7
INDEPND MTG	O-IMTGS	2500	23.08	0.00	DEC	0.52	6.25	0.0	12.0	0.0	-72.9	2.3	15.6
TRI-SOUTH MI	N-TSI	2246	22.16	3.12	DEC	3.36	24.50	7.7	7.3	12.7	10.6	15.2	55.0
WACHOVIA RLY	N-WRI	3335	18.92	2.00	FEB	2.12	17.00	7.9	8.0	11.8	-10.1	11.2	56.7
WELLS FAR MI	N-WFM	3911	18.28	2.00	DEC	2.08	17.88	9.2	8.6	11.2	-2.2	11.4	69.9
GROUP AVERAGE		2313	21.87	2.05		2.14	17.49	5.4	8.2	11.7	-20.0	9.8	765.9
SHORT-TERM-MISC FINCL													
AMER CENTURY	N-ACT	2606	21.41	1.00	DEC	1.00	8.50	-8.1	8.5	11.8	-60.3	4.7	22.2
BENEF STD MI	N-BSM	1350	22.59	3.08	JAN	3.04	19.38	9.2	6.4	15.9	-14.2	13.5	26.2
BUILDERS INV	N-BSG	2928	22.21	4.24	DEC	4.24	24.38	3.2	5.7	17.4	9.8	19.1	71.4
CI MTG GROUP	N-CI	4812	18.88	1.80	JAN	1.80	12.75X	-0.8	7.1	14.1	-32.5	9.5	61.4
DOMINION M&R	O-DMRTS	637	9.75	2.39	NOV	2.84	9.75	-15.2	3.4	24.5	0.0	29.1	6.2
FIDELITY MI	N-FID	3045	17.61	0.00	JAN	0.40	5.88	-2.0	14.7	0.0	-66.6	2.3	17.9
GALBREATH FM	O-GALBS	1047	24.66	1.36	DEC	1.36	11.25	18.4	8.3	12.1	-54.4	5.5	11.8
GRT AMER MI	N-GAA	4450	16.89	3.90	JAN	3.80	29.63X	3.3	7.8	13.2	75.4	22.5	131.9
HANOVER SQ R	O-HASQS	939	19.47	2.28	NOV	2.20	13.50	12.5	6.1	16.9	-30.7	11.3	12.7
IDS RLTY TR	N-IDR	2409	22.88	3.20	JAN	3.04	25.00X	5.8	8.2	12.8	9.3	13.3	60.2
INSTITUTNAL	N-INV	6074	13.43	1.48	JAN	1.52	10.38X	13.2	6.8	14.3	-22.7	11.3	63.0
MTG TRUST AM	N-MT	3860	18.91	1.24	NOV	1.24	8.88	-6.5	7.2	14.0	-53.0	6.6	34.3
GROUP AVERAGE		2846	19.06	2.16		2.21	14.94	3.4	6.8	14.5	-21.6	11.6	519.0
INTERMEDIATE-TERM MORTGAGES													
ALISON MTG I	N-AMV	2332	20.65	3.12	JAN	3.12	23.00X	9.9	7.4	13.6	11.4	15.1	53.6
BARNET-WINST	O-BWITS	1663	18.78	2.12	DEC	2.12	17.00	17.2	8.0	12.5	-9.5	11.3	28.3
DIVERSIFD MI	N-DMG	7322	20.07	2.72	DEC	2.72	15.88	6.7	5.8	17.1	-20.9	13.6	116.3
FST VIRGINIA	A-FVM	1208	23.49	1.68	DEC	1.64	12.69	5.7	7.7	13.2	-46.0	7.0	15.3
RLTY REFUND	A-RRF	1045	18.60	2.36	JAN	2.36	16.13X	3.7	6.8	14.6	-13.3	12.7	16.9
SECURITY MTG	A-SMO	6787	10.72	1.12	DEC	1.16	5.13	-8.9	4.4	21.8	-52.1	10.8	34.8
GROUP AVERAGE		3393	18.72	2.19		2.19	14.97	7.6	6.8	14.6	-20.0	11.7	265.2
LONG-TERM MTG & EQUITIES													
ATLANTA NATL	O-ATNAS	1260	18.58	1.92	FEB	1.92	11.50	27.8	6.0	16.7	-38.1	10.3	14.5
BT MTG INVTR	N-BTM	2166	13.56	2.40	DEC	2.00	14.00	-9.7	7.0	17.1	3.2	14.7	30.3
CLEVETRST RL	O-CTRIS	2525	18.66	1.60	DEC	1.60	15.13	5.2	9.5	10.6	-18.9	8.6	38.2
CON GEN M&R	N-CGM	5710	23.12	1.86	DEC	1.94	19.38	12.3	10.0	9.6	-16.2	8.4	110.7
COUSINS M&EQ	N-CUZ	3826	21.19	2.52	FEB	2.52	21.63X	7.3	8.6	11.7	2.1	11.9	82.8
EQUIT LF MTG	N-EQ	5596	24.11	2.11	JAN	1.92	21.63	13.1	11.3	9.8	-10.3	8.0	121.0
FIDELCO GROW	A-FGI	1580	25.61	3.20	FEB	3.28	21.00X	21.1	6.4	15.2	-18.0	12.8	33.2
FST MEMPHIS	O-FMEMS	1156	18.05	1.64	FEB	1.64	16.38X	4.9	10.0	10.0	-9.3	9.1	18.9
GULF MTG&RLY	N-GMR	2210	18.67	1.88	FEB	1.88	13.88	11.0	7.4	13.5	-25.7	10.1	30.7
HNC MTG&RLY	O-HNCMS	2385	20.23	1.80	JAN	1.92	11.00X	14.5	5.7	16.4	-45.6	9.5	26.2
HOSPITAL MTG	A-HMG	1178	23.20	2.08	NOV	1.92	13.00	9.4	6.8	16.0	-44.0	8.3	15.3
HOTEL INVSTR	A-HOT	1532	20.50	1.92	NOV	1.92	11.75	1.0	6.1	16.3	-42.7	9.4	18.0
LARWIN RLTY	A-LRM	3610	18.64	1.36	FEB	1.40	9.75	9.8	7.0	13.9	-47.7	7.5	35.2
MASSMUT MTG	N-MML	4669	23.81	1.72	JAN	1.72	16.63X	5.8	9.7	10.3	-30.2	7.2	77.6
MONY MTG INV	N-MYM	8824	9.87	0.80	NOV	0.72	7.75X	11.5	10.8	10.3	-21.5	7.3	68.4
MTG GROWTH I	A-MTG	2652	12.58	1.20	FEB	1.20	8.75	2.9	7.3	13.7	-30.4	9.5	23.2
NOWSTRN FINC	O-NFINS	1510	18.62	1.82	DEC	1.76	12.75	9.6	7.2	14.3	-31.5	9.5	19.3
NOWSTRN MUTL	N-NML	4731	19.41	2.08	DEC	2.00	23.50	3.3	11.8	8.9	21.1	10.3	111.2
OLD STONE M	O-OSMRS	803	13.17	1.28	SEP	1.40	11.25	-8.2	8.0	11.4	-14.6	10.6	9.0
PACIFIC STHN	O-PSMTS	814	13.96	1.20	DEC	1.36	8.75	-4.2	6.4	13.7	-37.3	9.7	7.1
PNB MTG&RLY	N-PNI	2437	19.07	2.12	DEC	2.16	16.38	13.0	7.6	12.9	-14.1	11.3	39.9
PRAM PACIFIC	O-RPACS	1884	19.31	1.89	NOV	1.68	13.75	0.0	8.2	13.7	-28.8	8.7	25.9
STATE MUTUAL	N-SMU	2785	19.66	1.80	DEC	1.72	12.00	18.5	7.0	15.0	-39.0	8.7	33.4
GROUP AVERAGE		2863	18.85	1.83		1.81	14.41	7.6	8.0	12.7	-23.5	9.6	990.1

WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	MTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
ALISON MTG	O-ALIS5	12/75	19	19.00	1.0	3.75	23.00	-1.1	114.3	0.1
ALISON MTG*B	O-ALISW	12/76	396	27.50	1.0	1.13	23.00	24.5	28.4	0.4
AMER CENTURY	A-ACTW	6/75	897	23.00	1.0	0.50	8.50	176.5	-10.7	0.4
AMER FLETCR	A-AFMW	1/75	488	25.00	1.0	1.63	22.63	17.7	-6.9	0.8
AMER REALTY	A-ARBW	9/76	1098	9.63	1.0	0.63	7.00	46.6	-8.7	0.7
ATICO MTG IN	A-ACOW	12/79	563	15.00	1.0	2.88	14.50	23.3	28.0	1.6
ATICO MTG(B)	O-ATICS	4/81	358	21.00	1.0	0.69	14.50	49.6	38.0	0.2
ATLANTA NATL	O-ATNAW	8/76	1260	20.00	1.0	0.50	11.50	78.3	31.6	0.6
BARNES MTG	O-BARNW	12/77	1910	20.00	1.0	0.88	13.50	54.7	-12.0	1.7
BARNETT MTG	O-BMTRW	4/80	559	20.00	1.0	3.00	20.00	15.0	26.1	1.7
BARNETT-WINST	O-BWITW	7/77	1657	20.00	1.0	1.63	17.00	27.2	-6.9	2.7
BENEF STD (B)	O-BSMB5	3/77	285	27.75	1.0	0.63	19.38	46.4	0.0	0.2
BENEF STD MT	A-BSMW	7/75	554	20.00	1.0	2.75	19.38	17.4	29.1	1.5
BERG ENT RG	A-BRTW	11/77	1400	10.00	1.0	0.38	4.13	151.3	-13.6	0.5
BT MTG INV	O-BTMGW	1/77	425	24.00	1.0	1.88	14.00	84.9	0.0	0.8
BUILDER IN	O-BULDW	12/86	1985	25.00	1.0	4.25	24.38	20.0	0.0	8.4
CAMERON-BRW	O-CMRNW	11/76	1477	25.00	1.0	0.88	9.38	175.9	39.7	1.3
CAPITAL MTG	O-CMORW	LL/79	511	20.00	1.0	2.88	17.00	34.6	15.2	1.5
CENTRAL MTG	O-CMRTW	3/77	775	20.00	1.0	1.25	17.75	19.7	10.6	1.0
CI MTG GROUP	A-CI-W	3/80	2854	20.00	1.0	1.13	12.75	65.7	0.0	3.2
CI REALTY IN	O-CIRLW	3/77	2609	25.00	1.0	0.06	10.75	133.1	-53.8	0.2
CITINATL DEV	O-CITI5	4/75	600	20.00	1.0	0.13	9.00	123.7	116.7	0.1
CITIZENS GRO	O-CITGW	1/77	785	20.00	1.0	0.25	12.75	58.8	0.0	0.2
CITIZENSMTG	A-CZMW	12/74	696	15.00	1.0	1.38	13.25	23.6	38.0	1.0
CITZNS & SO	O-CSRIW	10/75	550	20.00	0.5	4.13	27.25	3.7	22.2	2.3
CLEVELTRST RL	O-CTRIW	1/76	2507	20.00	1.0	0.63	15.13	36.4	-8.7	1.6
COLWELL M(B)	O-CLWLW	9/76	296	31.38	1.0	0.50	19.63	62.4	0.0	0.1
COLWELL MTG	A-CLMW	12/74	250	20.00	1.0	2.63	19.63	15.3	5.2	0.7
CONT ILL RLY	O-CONIS	4/76	179	20.00	1.0	1.00	14.00	50.0	100.0	0.2
COUSINS MTG	A-CUZW	2/77	740	24.63	1.0	2.50	21.63	25.4	0.0	1.8
DENVER REIA	O-DENV5	5/76	177	11.00	1.0	0.25	8.00	40.6	0.0	0.0
DOMINION (B)	O-DMRTZ	10/87	550	17.75	1.0	1.00	9.75	92.3	33.3	0.5
DOMINION M&R	O-DMRTW	6/76	400	12.00	1.0	1.25	9.75	35.9	-9.4	0.5
FEDERAL RLT	O-FDRLW	12/76	230	10.00	1.0	0.50	9.00	16.7	0.0	0.1
FIDELCO GROW	A-FGIW	9/75	136	25.00	1.0	4.25	21.00	39.3	6.3	0.6
FIDELITY MTG	O-FIDE5	3/79	154	22.25	1.0	0.75	5.88	291.2	-25.0	0.1
FIR MEMPHIS	O-FMEMW	2/75	1124	20.00	1.0	0.88	16.38	27.5	17.3	1.0
FIRST DENVER	A-FDEW	10/75	1400	20.00	1.0	2.00	20.13	9.3	22.7	2.8
FIRST PEN(B)	O-FPMTZ	9/75	540	28.25	0.5	0.15	13.25	115.5	15.4	0.1
FIRST PENN	O-FPMTW	7/77	1518	20.00	0.5	0.38	13.25	56.7	-13.6	0.6
FIRST UNION	O-FUREW	12/76	600	12.75	1.0	0.50	11.50	15.2	0.0	0.3
FIRST VA MTG	A-FVMW	5/77	1208	25.00	1.0	0.75	12.69	102.9	0.0	0.9
FLATLEY RLT	O-FLTLW	5/75	1000	10.00	1.0	0.50	6.75	55.6	0.0	0.5
GALBREATH FM	O-GALBW	1/76	652	32.00	1.0	0.25	11.25	186.7	92.3	0.2
GUARDIAN MI*	A-GMIW	5/76	343	36.00	1.0	3.31	27.25	44.3	1.8	1.1
GULF MTG&RL*	A-GMRW	3/76	2210	20.00	1.0	0.88	13.88	50.4	8.6	1.9
GULF SO MTG	A-GSRW	2/77	759	20.00	1.0	0.63	9.38	119.9	-16.0	0.5
HAMILTON INV	O-HAMTW	5/83	1444	20.00	1.0	1.00	14.00	50.0	58.7	1.4
HAMLTON INV	O-HAMTZ	5/83	650	20.00	1.0	1.00	14.00	50.0	13.6	0.6
HOSPITAL MTG	A-HMGW	2/77	1178	25.00	1.0	0.75	13.00	98.1	19.0	0.9
IDS RLTY TR	O-IDSRW	2/77	2406	25.00	0.5	2.13	25.00	17.0	0.0	5.1
INDEPEND MTG	O-IMTGW	6/75	2500	25.00	1.0	0.25	6.25	304.0	0.0	0.6
INDIANA M&R	O-INDMW	6/77	1141	20.00	0.5	0.75	14.50	48.3	50.0	0.9
JMB REALTY	O-JMBRW	8/77	510	20.00	1.0	0.50	14.00	46.4	0.0	0.3
JUSTICE MI	O-JUSTW	1/76	1021	20.00	1.0	2.63	20.25	11.8	5.2	2.7
JUSTICE MTG	O-JUSTZ	1/79	300	25.75	1.0	0.88	20.25	31.5	-12.0	0.3
KMC MTG IN	O-KMTGW	12/76	1100	15.00	1.0	0.25	9.75	56.4	0.0	0.3
LARWIN MTG	O-LWN5	4/77	700	32.00	1.0	0.25	11.75	174.5	-34.2	0.2
LARWIN RLT	A-LRMW	12/76	3610	20.00	1.0	0.50	9.75	110.3	0.0	1.8
M&T MTG INV	O-MTMIZ	8/75	747	13.00	1.0	0.13	7.50	75.1	-40.9	0.1
MIDLAND MTG	O-MIDMW	9/76	240	12.50	1.0	1.75	12.50	14.0	54.9	0.4
MTG INV WASH	O-MINWV	3/80	931	15.00	1.0	1.25	13.88	17.1	66.7	1.2
MTG TRUST AM	O-MORTW	11/77	2482	19.00	1.0	0.38	8.88	118.2	0.0	0.9
NATIONAL MTG	O-NMTGW	3/79	251	10.00	1.0	0.13	11.13	-9.0	-82.7	0.0
NO AMER MTG	O-NOAM5	12/74	80	24.00	1.0	0.25	20.13	20.5	0.0	0.0
NO STATES MR	O-NSMRW	6/77	481	10.00	1.0	0.13	5.75	76.2	0.0	0.1
NORTH AM MTG	A-NAMR5	3/79	710	31.13	1.0	2.00	20.13	64.6	-6.1	1.4
NOWSTRN FINC	O-NFINW	11/77	1510	20.00	1.0	0.88	12.75	63.8	17.3	1.3
OLD STONE MT	O-OSMRW	3/77	600	16.00	1.0	0.13	11.25	43.4	-48.0	0.1
PALOMAR MTG	A-PHIW	3/77	604	16.50	1.0	0.63	6.50	163.5	26.0	0.4
PEASE ELLIMN	A-PNEW	11/77	1113	18.50	1.0	0.63	10.50	82.2	-16.0	0.7
PNB MTG&RLTY	A-PNIW	12/74	1220	20.00	1.0	1.00	16.38	28.2	0.0	1.2
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	1.00	14.00	50.0	44.9	1.1
RLTY REFUND	O-RREFW	6/74	1013	20.00	1.0	0.44	16.13	26.7	41.9	0.4
SECURITY MT*	A-SHOW	5/79	3117	16.00	1.0	0.69	5.13	225.3	9.5	2.2
SUTRO MIT(B)	A-SUTW	6/77	700	20.00	1.0	0.75	8.63	140.4	0.0	0.5
SUTRO MTG IN	O-SUTRS	4/74	299	20.00	1.0	0.38	8.63	136.2	52.0	0.1
TEXAS 1ST MT	O-TFMRW	6/76	1055	20.00	1.0	0.75	14.75	40.7	-25.0	0.8
TRI-SOUTH MI	O-TSMGW	12/74	427	20.00	0.5	2.50	24.50	2.0	17.4	1.1
UNIONAM M&EQ	O-UAT5	12/74	131	20.00	1.0	0.25	14.00	44.6	-50.0	0.0
US LSG REI	A-USEW	12/74	1348	25.00	1.0	0.94	17.38	49.3	25.3	1.3
WALTER JIM	O-WALJW	7/77	1035	18.50	1.0	0.63	12.25	56.2	-37.0	0.7
WELLS FARGO	O-WELLW	7/77	3458	20.00	0.5	0.75	17.88	20.2	19.0	2.6

*DEBENTURES USABLE IN LIEU OF CASH.

EXTENSIONS: CAPITAL MTG; FIRST PENN (7/74); HAMILTON INV (7/76); MTG TRUST AM; WELLS FARGO.

ADDITION: FEDERAL RLT.

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT	CONV	RECENT	YIELD	%
			(%)	AT	PRICE	(%)	CHNG
ALISON MTG	AS	'91	6.75	27.50	81.00	8.3	13.3
AMER CENTURY	AS	'90	7.00	21.00	64.00	10.9	-8.6
AMER CENTY'B	NY	'91	6.75	28.00	58.50	11.5	0.9
AMER REALTY	OC	'84	7.00	10.67	69.00	10.1	-6.8
BAIRD&WARNER	OC	'91	6.75	21.00	67.00	10.1	0.0
BANKAMERICA	OC	'90	6.75	21.00	105.50	6.4	-6.6
BENEF STD MI	AS	'91	6.50	27.75	69.88	9.3	10.0
CAPITAL MTG	OC	'91	6.50	31.95	53.00	12.3	-7.0
CHASE MANHTN	NY	'96	6.50	55.00	81.50	8.0	3.8
COLWELL MTG	OC	'91	6.50	29.38	65.00	10.0	12.1
CONN. GENERAL	NY	'96	6.00	32.50	71.50	8.4	3.6
CONTINTL MTG	NY	'90	6.25	19.79	62.50	10.0	0.0
EQUITBL LF M	NY	'90	6.75	26.25	83.50	8.1	1.1
FIDELITY MI	AS	'85	7.75	21.25	63.00	12.3	-4.5
FIRST PENN M	OC	'91	6.75	26.00	60.00	11.2	5.3
FIRST UNION	NY	'91	7.00	13.00	86.00	8.1	7.5
FRANKLIN RLY	AS	'89	7.00	10.00	71.00	9.9	-5.3
GALBREATH	OC	'91	7.00	28.50	64.00	10.9	1.6
GRT AMER MI	OC	'91	7.00	35.50	82.00	8.5	0.0
HANOVER SO R	OC	'92	7.25	21.00	65.00	11.2	4.8
HEITMAN MTG	AS	'92	7.50	14.70	70.00	10.7	6.1
HNC MTG	OC	'91	6.75	21.00	62.00	10.9	3.3
HOTEL INVSTR	OC	'90	7.75	21.00	56.00	13.8	-3.4
HOTEL INVTRS	OC	'91	7.50	25.25	51.38	14.6	-3.1
LINCOLN MTG	OC	'90	8.00	11.00	42.00	19.0	5.0
MASSMUTL MTG	NY	'90	6.75	21.00	80.63	8.4	2.1
MASSMUTUAL M	NY	'91	6.25	33.50	67.00	9.3	3.1
MIDLAND MTG	OC	'86	7.00	16.67	70.00	10.0	2.9
MONY MTGIN	NY	'90	7.00	11.00	83.13	8.4	3.9
MTG INV WASH	OC	'90	8.00	15.00	90.00	8.9	5.9
NATIONAL MTG	OC	'91	7.00	12.00	92.00	7.6	8.2
NJB PRIME	AS	'91	6.75	21.00	53.75	12.6	1.4
NOWSTRN MUTL	NY	'91	6.00	21.00	107.25	5.6	1.2
OLD STONE MT	OC	'87	6.88	15.00	73.00	9.4	-12.0
RAM PACIFIC	OC	'91	6.75	21.00	68.00	9.9	3.0
REALTY INCOM	AS	'91	8.00	16.50	78.00	10.3	-2.5
REPUBLIC MI	NY	'90	7.25	19.00	90.25	8.0	2.4
SAUL (BF) RL	OC	'91	6.50	23.00	63.00	10.3	14.5
SAUL (BF) REI	OC	'90	8.00	15.50	70.00	11.4	-7.9
STATE MUTUAL	AS	'91	6.75	21.00	64.00	10.5	1.6
SUTRO MIT	NY	'82	6.75	20.00	68.50	9.9	5.2
SUTRO MTG	AS	'91	6.75	20.00	62.50	10.8	7.3
TRI-SOUTH MI	NY	'92	7.00	29.50	81.13	8.6	2.7
US BANCORP	AS	'92	7.00	26.25	85.50	8.2	0.6
US REALTY IN	NY	'89	5.75	20.20	60.00	9.6	0.0

HOW TO USE COMPARATIVE TRUST STATISTICS

The data inside are intended to facilitate comparison of relative efficiency of trust management with funds available during the latest period. Every effort has been made to present data for that purpose. Readers should note that the data are historical and not projections of future trends. This holds especially for dividends, which vary with each quarter's earnings for most mortgage trusts and thus are not to be considered in any way as guaranteed yields.

The heart of the comparisons is annualization of current earnings and dividend rates. For mortgage trusts, this is done by multiplying the latest quarter by four without seasonal adjustment. These earnings are adjusted for conversion of debt (i.e., fully diluted) but not for exercise of warrants, as described below. For equity trusts, net cash flow (defined as earnings plus depreciation and non-cash charges minus mortgage amortization) has been used and any known seasonal factors applied. The symbol "#" denotes use of cash flow in the earnings columns. Group averages may be reduced to the extent new trusts are included in any given group.

The number of shares outstanding is the number issued as of the latest balance sheet and is not adjusted for conversion or exercise of warrants. Book value per share however is adjusted for conversion of all convertible debentures. It does not reflect changes for any exercise of warrants nor does it reflect any adjustment for any changes in asset values through appreciation or losses.

Four standard comparisons are presented: price changes since the last issue; price/earnings ratios and estimated dividends based upon current market prices; and percentage of market price to book value. All values are positive unless indicated.

The fifth comparison, return on book value, measures management's performance with available funds. Because of the increasing complexity of trust capital structures, the computations are made in the following manner for trusts with these capital structures.

Convertible debentures only: Fully diluted earnings are compared with fully converted book value per share, since funds from convertibles are at work.

Warrants only: Primary earnings per share are compared with book value without assuming warrant exercise, since again this measures funds actually in use. Trusts in this category currently reporting significant differences and their primary and diluted earnings annual rates are listed at left.

Both warrants and convertibles: Fully converted book value is used. Primary earnings are being used because these are closest to converted earnings. Data for these trusts are slightly overstated. Where primary numbers are well above the dividend, the dividend is used and so noted. Trusts in this category are listed at left.

GENERAL FOOTNOTES

*COLUMNS ANNUALIZED-QUARTER MULTIPLIED BY FOUR. #CASH FLOW. X-EX DIVIDEND. @CASH FLOW INCLUDING DEBT DISCOUNT AMORTIZATION. SYMBOLS SHOWN ARE TICKER SYMBOLS FOR LISTED ISSUES AND NASDAQ SYMBOLS WHERE AVAILABLE. ALL OTHERS ARE FOR COMPUTER IDENTIFICATION.

LISTING OF PRIMARY AND DILUTED EARNINGS

Warrants only: Amer. Fletcher, \$3.36 primary & \$3.36 diluted; BT, \$2.00 & \$1.96; Builders Inv., \$4.24 & \$3.48; Cameron-Brown, \$1.72 & \$1.72 (Sep); CI Mtg., \$1.80 & \$1.80; Citizens Mtg., \$1.84 & \$1.68; CleveTrust, \$1.60 & \$1.60; Cousins Mtg., \$2.48 & \$2.48 (Nov); Dominion, \$2.84 & \$2.16; Fidelco, \$2.92 & \$2.64 (Nov); 1st. Memphis, \$1.88 & \$1.60 (Nov); First Denver, \$2.88 & \$2.52; Hospital Mtg., \$1.92 & \$1.92; IDS Rlty, \$3.04 & \$2.96; Indepen., \$0.52 & \$0.52; Mtg. Trust Amer., \$1.24 & \$1.24; M&T \$1.00 & \$1.00; PNB, \$2.08 & \$2.04; Realty Refund, \$2.32 & \$2.16 (Oct); Security Mtg., \$1.08 & \$1.08 (Sep); Texas 1st, \$2.28 & \$2.24; Unionamerica, \$2.16 & \$2.16 (Nov); Wells Fargo, \$2.08 & \$2.08.

Warrants and Convertibles: Alison, \$3.12 & \$3.04; Amer. Century, \$2.00 & \$2.00 (Sep); Atico, \$2.16 & \$2.12; Barnett, \$3.04 & \$1.92; Barnett-Winston, \$2.12 & \$1.56; Ben.Std., \$3.04 & \$2.76; Capital, \$2.84 & \$2.52 (Sep); Citizens & So., \$3.44 & \$3.00; Colwell, \$3.48 & \$3.20 (Sep); First Pa., \$2.04 & \$2.04; Galbreath, \$1.36 & \$1.36; Great American, \$3.80 & \$3.72; Guardian, \$4.56 & \$4.44; Midland \$1.80 & \$1.68; Mtg. Inv. Wash., \$1.88 & \$1.88; Nat'l. Mtg., \$1.64 & \$1.52; Republic, \$1.76 & \$1.76 (Sept); Sutro, \$1.04 & \$1.04; Tri-So., \$3.36 & \$3.08.